

Farrower shall invoice Finisher upon delivery of weaner pigs, and Finisher shall pay Farrower upon delivery of pigs.

5. Modification to Pig.Net Pricing Matrix. The Pig.Net Base Matrix is a proprietary formula of Cargill and is subject to change if any of the projections are shown to be inaccurate on a Pig.Net Alliance-wide basis. For instance, if freight costs significantly increase, The Pig.Net Base Matrix may be modified to reflect a higher projected transportation cost. Similarly, if veterinary/medical costs increase because of widespread health problems the Pig.Net Base Matrix may be modified to reflect the higher costs. In addition, the interest rate may change weekly, based on the prime rate as reported by the Wall Street Journal under the heading "Money Rates."

In addition, if close-out data related to Farrower's pigs reflect that Farrower's weaner pigs perform differently than Pig.Net projections on feed conversion, average daily gain, death/cull losses, medical costs, pig market weight, market hog weight, or payment cutout premiums, Cargill may create a special matrix ("Facility-Specific Matrix") that determines weaner pig prices based on projections that are specific to Farrower's pigs. Cargill may modify the Facility-Specific Matrix periodically, if close-out reports from the top ½ of Finishers shows that assumptions or projections utilized in creating the Facility-Specific Matrix are inaccurate. Cargill shall provide Farrower with at least thirty (30) days written notice of intent to change The Pig.Net Base Matrix or to impose or modify a Facility-Specific Matrix that impacts Farrower.

6. Floor/Ceiling for Price. In the event that the sale price for weaner pigs as determined by The Pig.Net Base Matrix is less than \$25.00 per head and no Facility-Specific Matrix is in effect, the sale price shall be \$25.00 per head. In the event that the sale price for weaner pigs as determined by The Pig.Net Base Matrix is greater than \$40.00 per head and no Facility-Specific Matrix is in effect, the sale price shall be \$40.00 per head. If a Facility-Specific Matrix has been imposed, and the sale price that would have been determined by The Pig.Net Base Matrix is less than \$25.00 per head, the sale price shall be the price determined by the Facility-Specific Matrix, plus the difference between \$25.00 per head and The Pig.Net Base Matrix Price. Similarly, if a Facility-Specific Matrix has been imposed, and the sale price that would have been determined by The Pig.Net Base Matrix is more than \$40.00 per head, the sale price shall be the price determined by the Facility-Specific Matrix, minus the difference between \$40.00 per head and The Pig.Net Base Matrix Price.

7. Adjustment to Price for Weaner Pigs. The price for all weaner pigs sold hereunder shall be adjusted in accordance with the Pig.Net Blemished Pig Adjustment Schedule (the "Blemish Schedule"), which may be amended or adjusted by Cargill from time to time. A copy of the current Blemish Schedule is attached hereto as Exhibit C. Notwithstanding the foregoing, Farrower and Finishers shall have the right to mutually agree, in writing, to create their own blemish schedule, to determine how the price for imperfect weaner pigs will be